

HF490 - 0 - Driver's License Reinstatement

Chief Author: **Jamie Becker-Finn**
 Committee: **Transportation Finance**
 Date Completed: **1/24/2023 11:25:03 AM**
 Agency: **Public Safety Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Restrict Misc. Special Revenue	-	5	-	-	-	-
Total	-	5	-	-	-	-
Biennial Total			5			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Restrict Misc. Special Revenue	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 1/24/2023 11:25:03 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027	
Restrict Misc. Special Revenue	-	5	-	-	-	-
Total	-	5	-	-	-	-
Biennial Total			5			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Restrict Misc. Special Revenue						
Expenditures	-	29	-	-	-	-
Absorbed Costs	-	(24)	-	-	-	-
Total	-	5	-	-	-	-
Biennial Total			5			-
2 - Revenues, Transfers In*						
Restrict Misc. Special Revenue	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This bill provides for retroactive driver's license reinstatement for certain individuals whose licenses were suspended due to failure to appear in court or driving after revocation or suspension (169.92 subd 4, 171.24 subd 1, 171.16 subd 2).

Assumptions

Assume data regarding suspensions will remain on the driver's record and not be expunged.

Assume Department of Public Safety Driver and Vehicle Services Division (DVS) is unable to determine the reason for a court-ordered suspension of driving privileges under 2020 Minnesota Statutes 171.16 as the courts did not inform DVS of the underlying conviction providing the basis for the suspension.

Assume individuals who have had their driving privileges suspended based on a court order under 2020 Minnesota Statutes 171.16 will need to provide evidence to DVS of the nature of the underlying conviction in order to be eligible for reinstatement.

Assume all individuals eligible for reinstatement must pay a single reinstatement fee of \$20.

Assume individuals eligible for reinstatement under these changes is subject to all other requirements to obtain a valid driving credential, such as knowledge or skills examinations.

Assume 120 hours MNDRIVE programming to identify eligible individuals, update conditions for reinstatement, and generate the required written notification, at a total cost of \$24,000 (120 hours of programming x \$200 per hour = \$24,000). Assume DVS can absorb this \$24,000 in the DVS technology account (special revenue fund).

Assume 8,026 customers would be eligible for reinstatement under these changes (data from MNDRIVE). Assume DVS is required to send a written notice to these individuals at their last known address to make them aware of their eligibility for reinstatement.

Assume the cost of printing and sending a letter to eligible customers to be \$5,281.56 (printing costs: 8,026 customers x \$0.06 = \$481.56; postage estimated by Minnesota Department of Administration to be \$4,800; \$481.56 + \$4,800 = \$5,281.56).

Assume DVS cannot calculate potential revenue that may result from the retroactive reinstatement of these individuals. Some individuals have been suspended for many years, may have moved out of state and are no longer interested in obtaining a Minnesota driving privilege, may have a hold on their driving privileges in another state, do not wish to meet other requirements to obtain a valid driving credential (such as examination), or otherwise will choose not to pay the reinstatement fee. Assume DVS cannot estimate the revenue nor can DVS determine in which fiscal years individuals may choose to pay the reinstatement fee.

Assume effective date for programming and implementation to be August 1, 2023. Assume DVS must send all notification letters no later than December 1, 2023.

Expenditure and/or Revenue Formula

FY24

Expenditures

DVS Technology Account Expenditures

120 hours of programming x \$200 per hour = \$24,000 (absorbed)

Driver's Services Operating Account Expenditures

8,026 customer letters x \$0.06 printing costs = \$481.56

\$4,800 mailing costs

Total Expenditures FY24 Driver's Services Operating Account \$5,281.56

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

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